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June 7, 2010

#### **VIA ELECTRONIC FILING**

Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Re: Notice of Ex Parte Communication

ViaSat, Inc.

GN Docket 09-51; WC Docket No. 10-90; WC Docket No. 05-337

Dear Ms. Dortch:

On June 4, 2010, Mark Dankberg of ViaSat, Inc., David Lash of WildBlue Communications, Inc., and the undersigned counsel met with Rod Porter and Bob Nelson of the International Bureau and provided the enclosed written presentation.

Respectfully submitted,

/s/

John P. Janka

Encl.



## The Role of Satellite in Universal Broadband Service

Mark Dankberg Chairman and CEO ViaSat, Inc. June 4, 2010

## Key Points: Satellite Broadband ViaSat

- Dramatic improvements coming in 2011
- Competitive with terrestrial alternatives
  - Better than most DSL
  - Better than most wireless (3G/4G)
  - Comparable to some cable systems
- Live demo of service improvements
- Satellite broadband advantages
  - Most cost efficient technology
  - Able to serve any and all unserved households
- Policy considerations
  - Reduce the strain on USF
  - Facilitate competition & user choice
  - Maintain technology neutrality

## **Dramatic Improvements**



- ViaSat-1 Satellite
  - Started Jan 2008, Launch scheduled Q1 2011
  - New service scheduled for Q2 2011
- More bandwidth than all other satellites serving the US – combined!
- ViaSat acquired WildBlue to deliver service
  - Open wholesale model
  - NRTC, AT&T, Qwest, DirecTV, DISH are competing distributors
- About \$1 Billion invested in next gen so far, with more investment to come

## Satellite Broadband Can Compete! Vasat

#### Broadband Usage by Application

Wireless broadband-like quality



✓ Cable broadband-like quality

Source: Cisco Systems

# Satellite Broadband Demonstration / aSat



#### Satellite Advantages



- Advantages over DSL and 3G/4G wireless
  - Higher speeds (up and/or down)
  - Very high surge speeds (medical, etc)
  - More total usage (Gbytes per month)
  - Lower cost per home passed and served
  - Lower operating & maintenance costs
  - Greater reach
  - Highly scalable
- All technologies present tradeoffs
  - Satellite broadband is better in most important characteristics (e.g. speed)
- Many subs may prefer satellite, just as they prefer it over cable TV!

# Enormously Cost Effective in Closing the Gap

#### Satellite:

\$5 cap ex/home passed

Under \$1,000 cap ex/home served

#### Terrestrial average (per NBP):

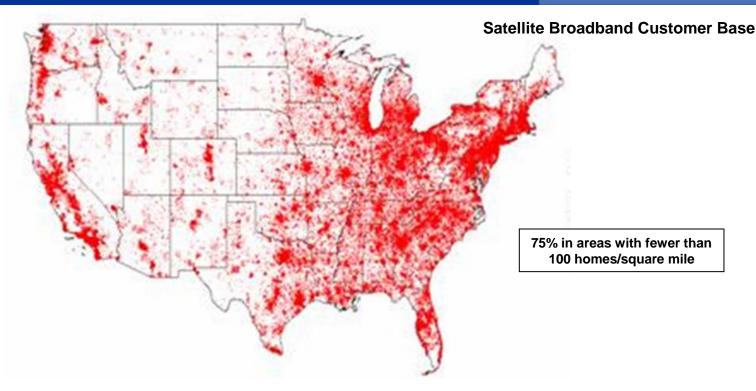
\$2,200 cap ex/home passed

\$3,340 cap ex/home served

(assuming 65% adoption rate)

#### Identifying the Unserved

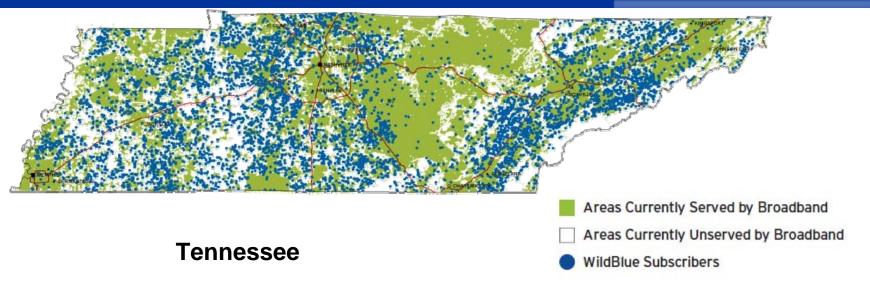




- Satellite customers are a proxy for areas unserved by wireline broadband
- Unserved pockets exist everywhere
  - Even in zip codes/census blocks "served" by cable/telco
- Not just a "rural/remote" issue

#### **Unserved & NBP Plan**





- NBP acknowledges quality of next gen satellite
  - Reaches unserved wherever located
- NBP does not take into account a critical advantage of satellite: scalability
  - Single satellite provides broad coverage to ~1M users
  - Additional launches would enable service to all unserved
  - Capacity growth expected to be similar to satellite TV

## **Key Policy Considerations**



- Economic efficiency should be driving force
  - Lowest cost for given service quality
  - Best service quality at a given cost
  - Avoid wasting funding on infrastructure not actually used to serve end users
- Should not pick one "winner" per region
  - Subsidizing just one provider
    - distorts the market
    - entrenches the incumbent
    - eliminates consumer choice
    - quells the competitive forces that otherwise
      - drive down prices, speed deployment, spur innovation and investment
- Effectiveness of proposed service quality ratings depends on consumer choice

#### Summary



- Next gen satellite broadband is competitive
  - Better than other broadband alternatives
    - Reach, speed, cost efficiency
  - Scalable to serve any and all unserved households
  - Open wholesale access facilitates competition and consumer choice
- USF reform should
  - Take into account these new broadband capabilities
  - Ensure true technology neutrality
  - Enable consumer choice
  - Focus any subsidies on disadvantaged Americans